

SUMMARY ANALYSIS OF AMENDED BILL

Author: Alquist Analyst: Gloria McConnell Bill Number: AB 1666

Related Bills: _____ Telephone: 845-4336 Amended Date: 04/27/98

Attorney: Janet Ballou

Sponsor: _____

SUBJECT: Child Support Compliance Act of 1998/State Contracts

DEPARTMENT AMENDMENTS ACCEPTED. Amendments reflect suggestions of previous analysis of bill as introduced/amended _____.

AMENDMENTS IMPACT REVENUE. A new revenue estimate is provided.

AMENDMENTS DID NOT RESOLVE THE DEPARTMENT'S CONCERNS stated in the previous analysis of bill as introduced/amended _____.

FURTHER AMENDMENTS NECESSARY.

DEPARTMENT POSITION CHANGED TO _____.

☒ REMAINDER OF PREVIOUS ANALYSIS OF BILL AS INTRODUCED 01/13/98 STILL APPLIES.

☒ OTHER - See comments below.

SUMMARY OF BILL

Under this bill, all written contracts entered into by state agencies would be required to contain 1) an acknowledgment by the contractor (vendor) that it is complying with the earnings assignment orders of all employees and is providing the names of all new employees to the Employment Development Department (EDD), and 2) an agreement to make payroll records available for review for child support enforcement purposes by designated agencies, including the Franchise Tax Board (FTB).

Additionally under this bill, FTB, as a state agency, would have to provide data about its employees, licensees, contractors and vendors for purposes of administering FTB's child support collection program. Under the bill, FTB could receive this data from each state agency.

SUMMARY OF AMENDMENT

This amendment limits the provisions of the bill to state agencies rather than public entities in general.

Implementation Consideration

The following consideration raised in FTB's analysis of the bill as amended April 13, 1998, still applies:

DEPARTMENTS THAT MAY BE AFFECTED:

___ STATE MANDATE

___ GOVERNOR'S APPOINTMENT

Board Position:

___ S ___ O
___ SA ___ OUA
☒ N ___ NP
___ NA ___ NAR
_____ PENDING

Agency Secretary Position:

___ S ___ O
___ SA ___ OUA
___ N ___ NP
___ NA ___ NAR
DEFER TO _____

GOVERNOR'S OFFICE USE

Position Approved _____
Position Disapproved _____
Position Noted _____

Department/Legislative Director Date
Johnnie Lou Rosas **5/11/98**

Agency Secretary Date

By: _____ Date: _____

The bill requires state agencies to provide, upon request, data regarding contractors and vendors to the California Parent Locator Service and the FTB for child support enforcement purposes (page 6, lines 12 and 13). However, given that (1) the bill, as amended, reduces the information that a contractor/vendor must provide state agencies, (2) the bill does not identify specifically what contractor/vendor data state agencies would be expected to provide to the CPLS/FTB, and (3) there is no requirement that state agencies capture data in a manner that can be readily accessible or exchanged through magnetic media or other electronic means, it is unclear how FTB would implement this aspect of the bill or whether, as the bill is amended, reference to contractors/vendors in this provision of the bill is applicable. If the author intends that each state agency make specific contract/vendor information available on an automated data base, which could be routinely accessed in the event California Parent Locator Service or FTB makes a request, this should be clarified. State agencies, including the FTB, undoubtedly would incur additional costs.

Technical Consideration

Currently, Section 11478.5(a)(10) of the Welfare and Institutions Code, which is amended by this bill, makes reference to Section 19285.1 of the Revenue and Taxation Code (RTC). This RTC section was renumbered to Section 19548 effective January 1, 1994; therefore, reference to Section "19285.1" should be amended to read "19548."